



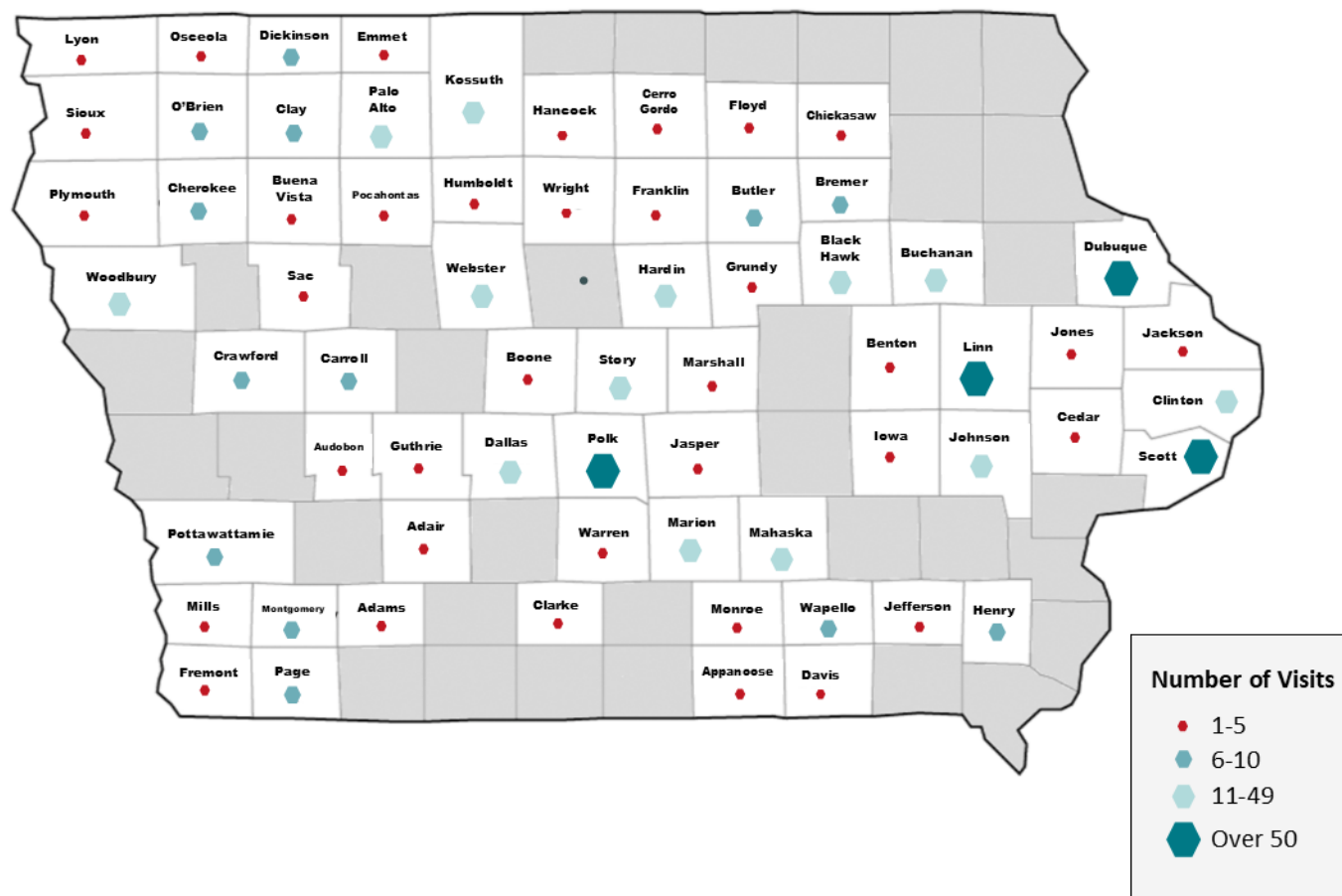
2019

Annual Report Highlights



2019 By the Numbers

- Almost 1,200 interviews
- 165 communities
- 66 counties
- Trend information focusing on 848 companies
- 58.5% located in metro counties
- 41.5 % located in non-metro counties





Iowa's Emerging and Growing Companies Have Plans to Expand – but Face Challenges

- 375 have expansion plans
 - \$2.4 billion capital investment estimated by 126 firms
 - 4,488 jobs
- 184 of firms are in manufacturing
- 153 firms reported no room to expand at current location
- 81 companies may not consider current community





Communities' Key Obstacles for Potential Expansions

- Workforce related issues
- Land availability/cost
- Access to markets



Site, Building and Infrastructure Development Must Be Supported at the Local and State Level

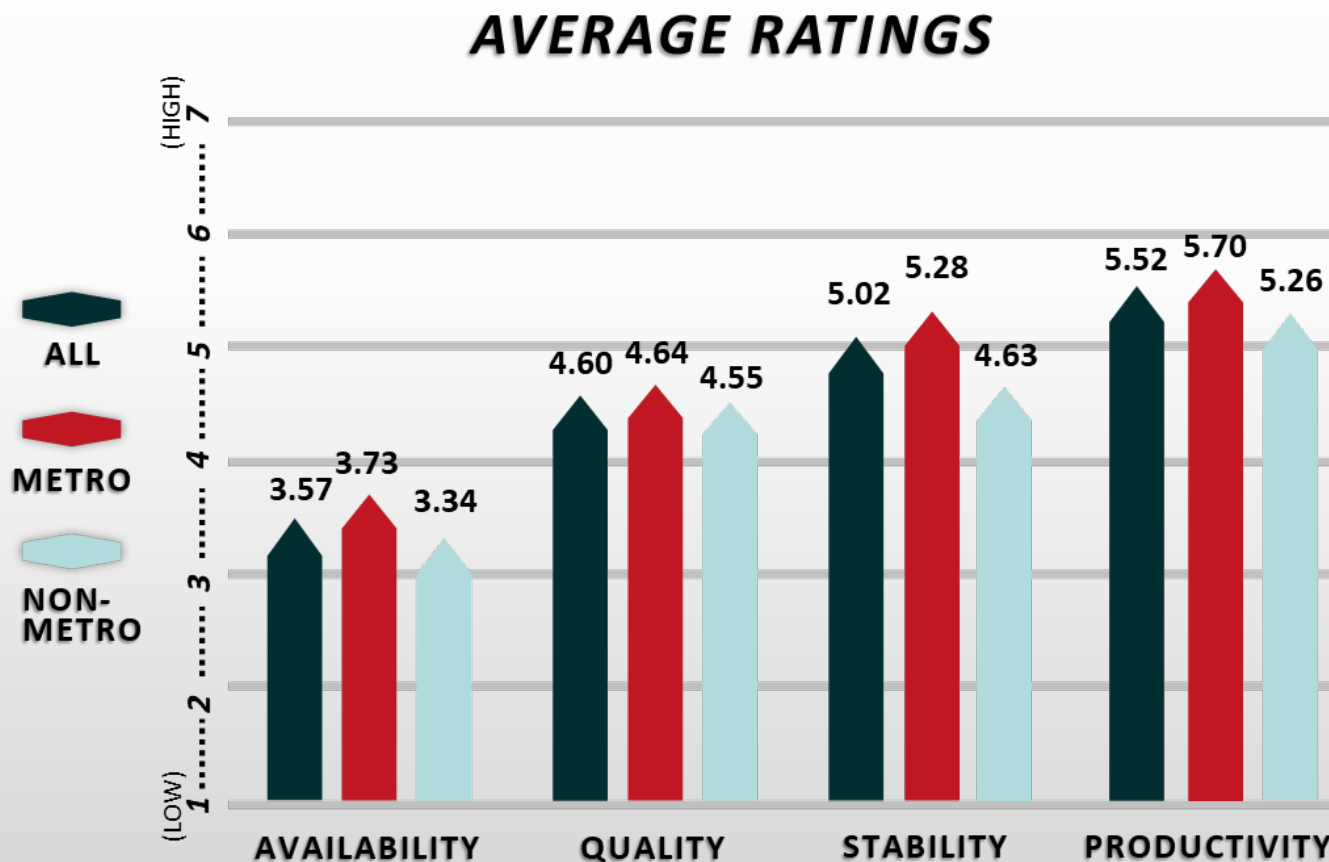
Call to Action

- Continue to support certified site program
- Take sites through certified site program or work with other professionals if property doesn't meet IEDA criteria
- Offer technical assistance and other resources to communities with expanding business



Workforce Average Ratings by Location

Companies rated availability, quality, stability and productivity on a scale of 1 – 7, with 1 low and 7 high





Iowa Must Elevate Efforts to Enhance and Grow our Workforce

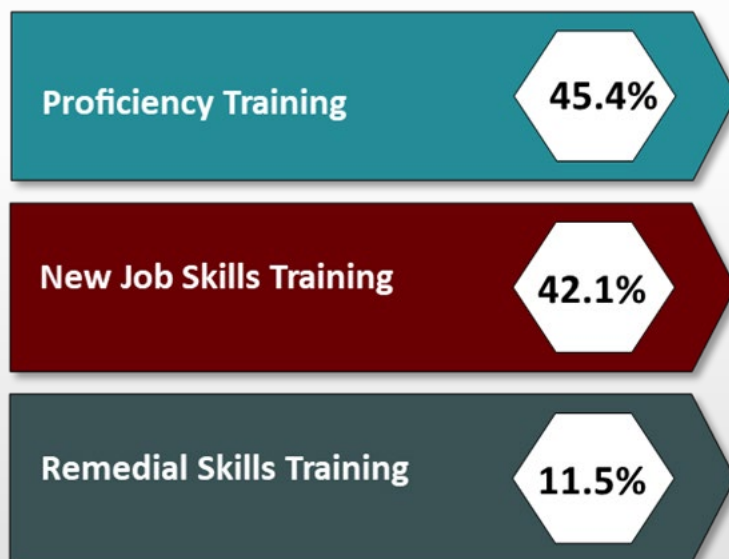
- Workforce related issues were the most frequently identified barriers to growth for
- 74 percent, or 3 out of 4 companies, stated they were experiencing workforce recruitment problems
- The companies interviewed reported having 4,799 unfilled positions
- 46%, or 375 companies, have plans to expand during the next three years; and 22.2% of those companies stated their community in Iowa may not be considered due to workforce related issues



Workforce Training Spending

- 728 firms stated their investment in workforce training was increasing or stable
- 58% metro
42% non-metro

AVERAGE TRAINING BUDGET SPENDING



Companies increasing their investment in workforce training

45.5%

(346 Companies)

Companies who stated their investment in workforce training was stable

50.2%

(382 Companies)



Workforce - Call to Action

- Continue to grow and expand technical training, trade and collaboration technology program
- Continue 260E and 260F funding
- Future Ready Iowa
- Workforce housing initiatives
- State, regional and local constituencies working together



Innovation Must Continue to be Encouraged and Supported for all Iowa Communities

- 573 companies introduced a new product or service in past five years
- 544 companies anticipate introducing a new product or service in the next two years
- 576 companies reported products or services in the emerging or growing state



Innovation Resources

- Iowa Economic Development Authority
 - High Quality Jobs
 - Demonstration Fund
 - Innovation Acceleration Fund
 - Proof of Commercial Relevance
 - Small Business Innovation Research

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Research and Development Spending

- 255 companies invested in research and development
- Average spent on research and development budget
 - 39.7% – new product development
 - 35.2% – product improvement
 - 27.6% – production improvement



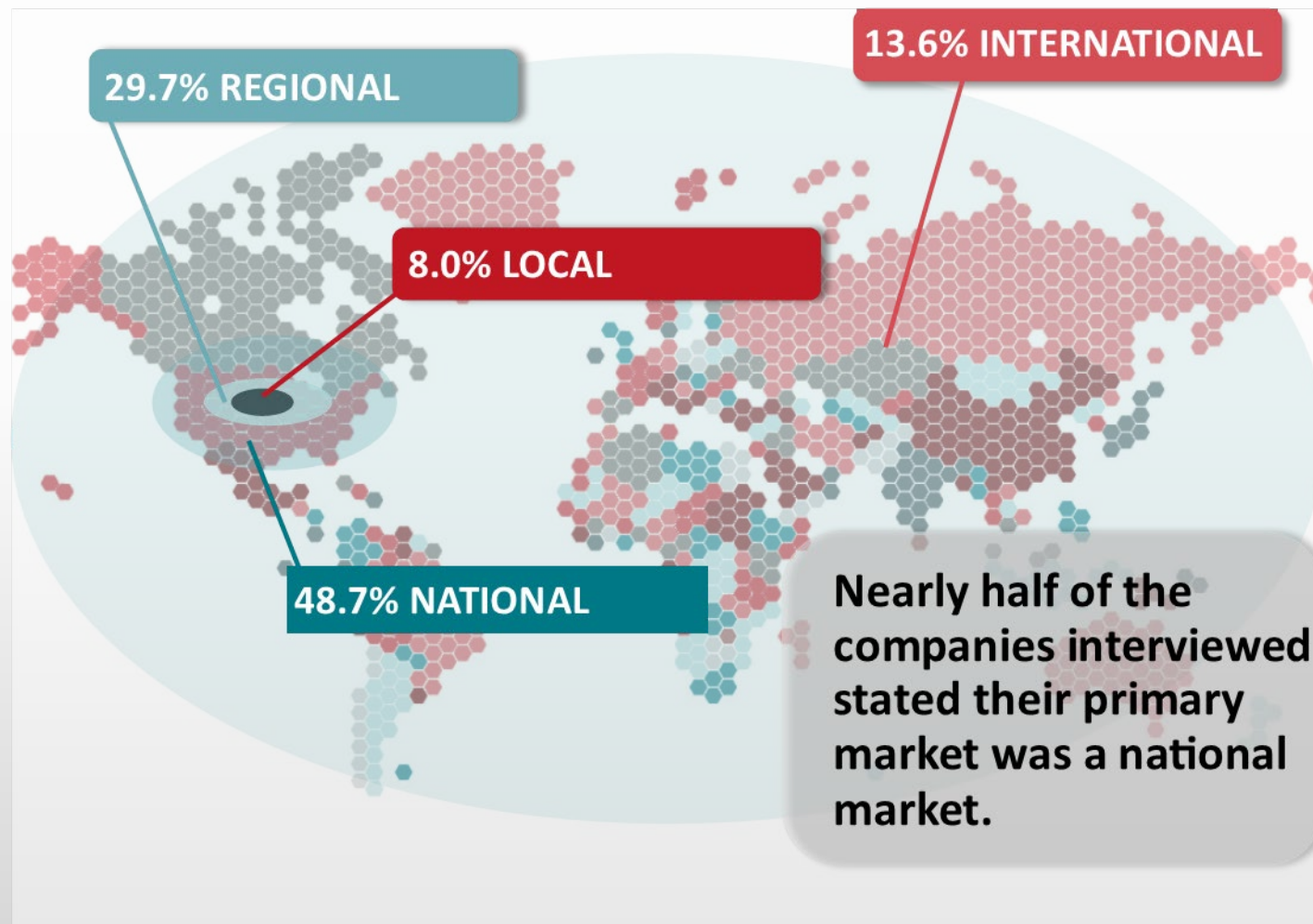
Innovation – Call to Action

- Continue to support current research and development tax credits
- Support and encourage Iowa companies' effort to innovate



Market

- 48.5% stated market share was increasing and 49.4% as stable
- 63.0% stated sales were increasing





A variety of public policy decisions are adversely affecting Iowa companies

- 45 percent of the companies interviewed stated federal, state or local legislation changes will adversely affect their business in the next five years.
- 30 percent of the companies cited tariff concerns.
- Other legislation changes identified - environmental regulations, labor and workplace regulations.



Economic policies and practices – Call to Action

- Initiate and maintain contact with headquarters for Iowa companies and beyond
- Ensure Iowa is preferred place of growth
- Must be timely and remain proactive to support Iowa businesses competing in rapidly changing market place



Public Policy – Call to Action

- Speak with one voice locally, regionally and statewide on legislative/public policy changes for tariffs, trade and United States – Mexico-Canada Agreement
- Economic development organizations continue to communicate their business needs and the negative local impacts of federal policies



Utilizing and Analyzing Your Data

- Template was developed allowing data comparison
- Ensure you tell your story to stake holders that invested their time with you
- Incorporate your issues into local/regional program of work
- Drill down on information and work with partners
 - Workforce-community colleges, school district, colleges and universities
 - Future Ready Iowa
 - Job Training Programs – 260E and 260 F



2020 Game Plan

- Automated target list
- Continue year-round process
- Priority One level – companies with interview date of February 2019 or earlier
- These calls need scheduled, completed and entered by February 28, 2020



2020 Game Plan

- Calls completed in past year should be scheduled with an interview date within 30 days of your 2019 cycle
- Priority Two Level – Needs Your Commitment
 - Companies not called on in past year but are target industry
- Make the list your own
 - Add companies and expand your information and story
- April 9 training - Ames



2019 BEST of Iowa Excellence Award Recipients

Greater Dubuque Development Corporation

Kossuth/Palo Alto County Economic Development Corporation

Marion County Development Commission

Montgomery County Development Corporation



BEST Management Team Support

- Alliant Energy-Scott Drzycimski: 319-786-7550
- Black Hills Energy-Casey Woodside: 515-343-2020
- Iowa Area Development Group-Bruce Hansen: 515-223-4817
- Iowa Economic Development Authority-Matt Kodis: 515-348-6249
- MidAmerican Energy-Deb Calvert: 515-281-2595

